Annual Report

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Alberta

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Alberta

CONSUMER AND CORPORATE AFFAIRS

Office of
the Minister

403/427-2305

402 Legislative Building
Edmonton, Alberta, Canada
T5K 2B6

The Honourable Gerard Amerongen
Office of the Speaker
Legislative Assembly of Alberta

Sir:

I have the honour to submit the Annual Report of the Department of Consumer and Corporate Affairs for the year ending March 31, 1983.

Respectfully submitted,

Constantine E. Osterman

Minister of Consumer
and Corporate Affairs

Alberta
CONSUMER AND CORPORATE AFFAIRS

Office of the Deputy Minister

11th Floor, Capitol Square, 10065 Jasper Avenue, Edmonton, Alberta, Canada T5J 3B1 403/427-4086

The Honourable Connie Osterman
Minister of Consumer and Corporate Affairs

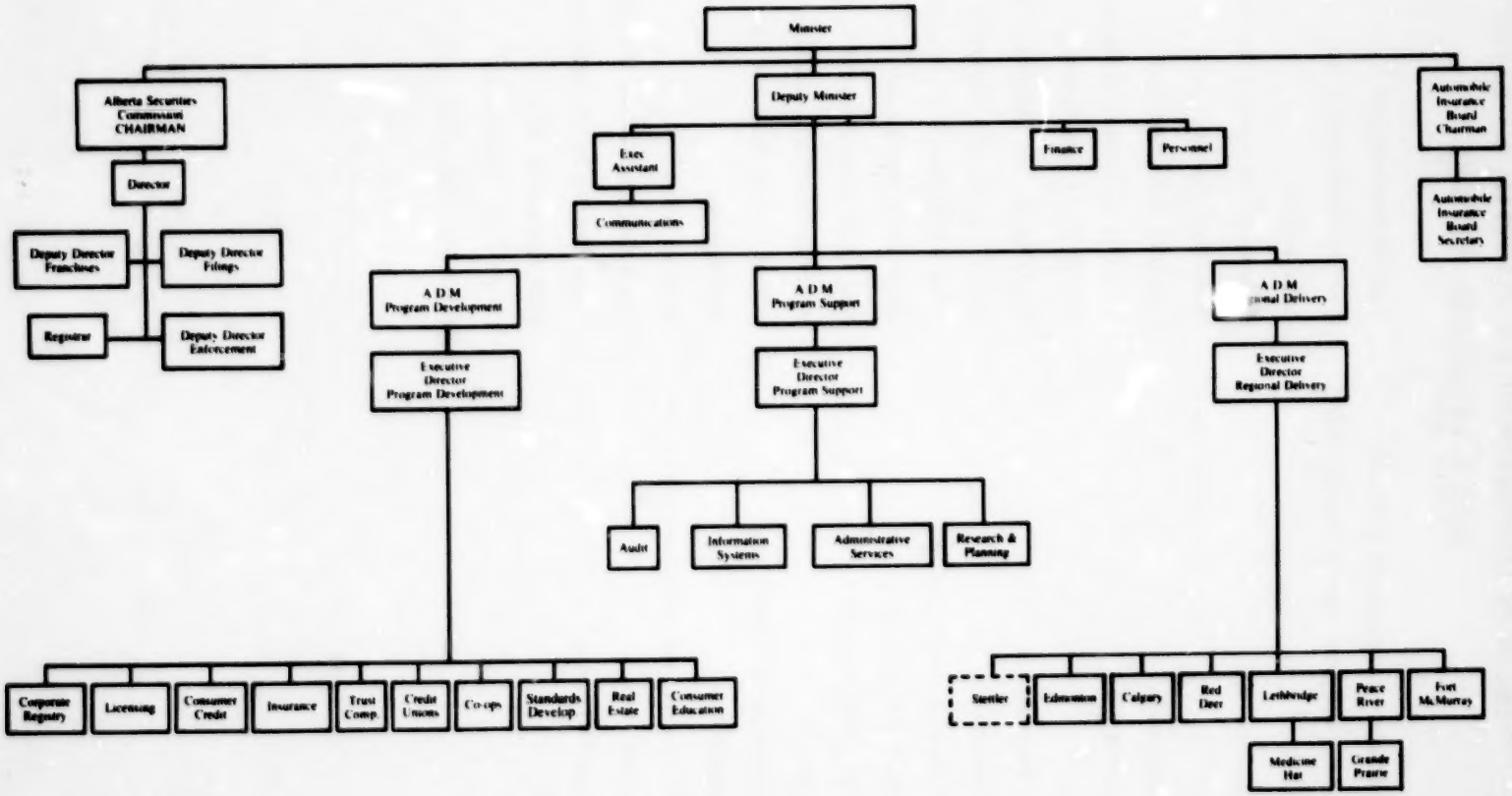
Madame:

I take pleasure in submitting the Department's Annual Report for the fiscal year ending March 31, 1983.

Respectfully submitted,

J. Barry Martin
Deputy Minister

Departmental Organizational Chart



Acts Administered by Alberta Consumer and Corporate Affairs

Agricultural Societies Act (Section 33 & 43) are administered "in common" with the Department of Agriculture

Business Corporations Act

Cemeteries Act

Cemetery Companies Act

Collection Practices Act

Companies Act

Condominium Property Act

Co-operative Associations Act

Co-operative Marketing Associations & Rural Utilities Guarantee Act

Credit and Loan Agreements Act

Credit Union Act

Credit Union Federation of Alberta Act

Debtors' Assistance Act

Department of Consumer and Corporate Affairs Act

Deposits Regulation Act

Direct Sales Cancellation Act

Franchises Act

Fuel Oil Licensing Act

Interprovincial Lottery Act

Insurance Act

Insurance Corporations Tax Act

Investment Contracts Act

Landlord and Tenant Act

Licensing of Trades and Businesses Act

Mobile Home Sites Tenancies Act

Mortgage Brokers Regulation Act

Native Co-operative Guarantee Act

Prearranged Funeral Services Act

Public Contributions Act

Real Estate Agents' Licensing Act

Religious Societies' Land Act

Sale of Chattels by Public Auction Act

Securities Act

Societies Act

Tax Rebate Discounting Act (Federal Act administered by the Department)

Trust Companies Act

Unfair Trade Practices Act

Wage Assignments Act

Deputy Minister's Office

Communications

Personnel

Finance

Deputy Minister—
J. B. Martin

Communications Office

The Communications Office co-ordinates public affairs matters, media relations, advertising and internal communications for the department. It also provides editorial services and public relations counselling for clients within Consumer and Corporate Affairs.

The Communications staff manage the printing and artwork for all public information pamphlets produced by the department.

During 1982/83, Communications assisted the Consumer Education program in producing and launching the MOVING OUT booklet and related materials.

Communications co-ordinated four advertising campaigns. These included: MOVING OUT, Phases I and II, which coincided with and promoted the department's new MOVING OUT booklet; a campaign to increase awareness of Alberta's recently introduced Mobile Home Sites Tenancies Act; efforts to promote the department's regional Corporate Registry services; and the Resource Centre in Edmonton.

The Communications Office acts as the liaison between the department and the Alberta Public Affairs Bureau.

Personnel Office

The Personnel Office provided an effective, responsive human resource management/personnel planning function for the Department. This included job classification, recruitment and selection, training and development, employee relations, pay and benefit administration, and occupational health and safety.

The Personnel Office also participated in several departmental task groups. These included the development of a human resource plan to meet anticipated continuance filing activity in Corporate Registry and development of a departmental strategic planning process.

Classification

Classification activity included receiving additional delegated authority from the Personnel Administration Office, which increased the department's decision making in the classification process for bargaining unit positions. An internal series review of all Senior Officer I positions was conducted to update those position descriptions.

Recruitment and Selection

Shortages in labour experienced in the past were no longer a concern and responses to competitions have increased significantly. This resulted in more pre-interview planning, which included more emphasis on position analysis and person profiles. A new interview rating form was introduced which required identification of measurable sub-factors in order to provide consistent evaluation of candidates. The goal of this activity is to increase employee awareness and understanding of the recruitment process and to attempt to attract more candidates for future career development.

Training and Development

The department capitalized on four major sources for a staff development strategy during the past fiscal year. These included:

i) Courses offered by the Organization Development Division of the Personnel Administration Office.

ii) Private sector and other government-sponsored courses.

iii) Department-sponsored in-house training programs.

iv) Certificates and degree programs offered by universities, community colleges, and post-secondary institutions.

TABLE 1

Summary of Staff Development Activity

	No. of Participants
Organization Development Division Courses	197
Other government agency and private sector courses	70
Department sponsored in-service Courses	217
Course subsidies extended to participants in certificate and degree programs offered by post-secondary institutions	37
TOTAL	521

The in-service training program was active once again with 18 training events delivered during the year. These events focused on supervisory training, investigative skills, personnel management, and some systems training.

A systems model for training design was refined during the past year. This model was applied in the development of all in-service courses. The seven step model included all the elements necessary for effective analysis, design and implementation of in-service courses. The model assured the department's staff development activity focused upon identified needs. This increased effective use of staff development budgets.

TABLE 2

Department Personnel Statistics

Total Positions	504
Total Number of Wage Positions	39
Total Number of Salary Positions	465
Number of Management Positions	59
Number of In-Scope, Opted-Out and Excluded Positions	406
Contract Employees	1
Classification Requests Processed	132
Classification Appeals	7
Employee Grievances	32
Number of Competitions Conducted	92

Finance Office

TABLE 1

Summary of Expenditures of the Department of Consumer and Corporate Affairs for the Fiscal Years Ended March 31, 1983 and 1982

	1982-83	1981-82
1. Central Support Services		
Minister's Office	$ 158,082	$ 159,604
Executive Management	426,735	407,668
Program Support Division	2,248,096	1,771,122
Regional Delivery Division	3,501,388	3,121,033
	$ 6,334,301	$ 5,459,427
2. Consumer Services	$ 1,248,177	$ 1,039,282
3. Business Registration and Regulation		
Program Support	$ 695,763	$ 430,693
Regulation of Insurance Industries	189,180	169,378
Regulation of Auto Insurance Premiums	120,331	89,457
Business Incorporation and Registration	3,753,358	3,056,499
Registration and Regulation of Trust Companies	120,523	73,748
Regulation of Credit Unions	122,921	134,504
Licensing	390,470	313,843
Regulation of Credit Grantors	164,738	176,099
Regulation of Business Practices	156,082	153,722
Regulation of Real Estate	192,926	126,795
Regulation of Co-operatives	43,799	105,265
	$ 5,950,091	$ 4,830,003
4. Regulation of Financial Markets	$ 3,357,965	$ 2,852,519
TOTAL DEPARTMENTAL EXPENDITURES	$16,890,534	$14,181,231

TABLE 2

Summary of Revenue for the Department of Consumer and Corporate Affairs for the Years Ended March 31, 1983 and 1982

	1982-83	1981-82
Licenses:		
Collection Agencies	$ 13,785	$ 11,045
Insurance Agents	145,930	110,102
Insurance Companies	162,953	157,528
Investment Contracts Act	9,240	7,100
Licensing of Trades and Businesses	313,397	756,803
Mortgage Brokers	32,525	23,100
Real Estate Agents	250,454	297,119
	$ 928,284	$ 1,362,797
Fees and Permits:		
Alberta Companies Act	$ 4,469,629	$ 3,247,024
Alberta Securities Commission	430,346	349,522
Credit Union Examination	240,865	220,122
Debtors' Assistance Act	670	543
Orderly Payment of Debts	4,570	2,990
Trust Companies Act	24,975	20,230
	$ 5,171,055	$ 3,840,431
Taxes:		
Insurance Corporation Tax	$32,898,991	
Miscellaneous:		
Insurance Program	$ 4,222	$ 28,309
Previous Year's Refunds	6,521	59
Other	13,231	7,583
	$ 23,974	$ 35,951
TOTAL DEPARTMENTAL REVENUE	$39,022,304	$ 5,239,179

Note: Insurance Corporation Tax previously recorded as revenue for Alberta Treasury.

Program Development Division

Consumer Education Program

Family Financial
Counselling Program

Standards Development Program

Licensing Program

Real Estate Program

Consumer Credit Program

Insurance Program

Trust Companies Program

Credit Union Program

Co-operative Activities Program

Corporate Registry

Assistant Deputy Minister —
D. E. L. Keown

Executive Director —
T. Saleh

Program Development

The primary objectives of the division are to promote the development of orderly and responsible business activities, to ensure fair trade standards and practices, to create a community of informed consumers and to develop public interest safeguards with a minimum of government intervention in the economic system.

Consumer Education Program

Providing Albertans with self-help learning opportunities to improve their life-coping skills is the mandate of the Consumer Education Program. While emphasizing the important areas of consumer concern, the Education Program provides a variety of services and print and audio-visual materials in order to fulfill this mandate. The specific objectives listed below provide the basis for planning and managing educational activities and projects:

(a) To produce educational materials designed to meet changing consumer needs.

(b) To provide Albertans with learning opportunities that will enable development of decision-making skills required for effective functioning in the marketplace.

(c) To encourage in Albertans a sense of responsibility in the planning and allocation of their personal resources.

(d) To create programs for those in special need and to involve such groups in the development and delivery of educational programs.

Consumer Education Projects

In helping consumers become aware of their rights and obligations to enable them to cope effectively in the marketplace, numerous self-help materials were produced and put into public distribution. As well, a variety of activities were conducted for the public, related agencies, and other government departments.

— **Moving Out**, a guide to independent living for young adults (aged 16 to 25), was prepared. It includes such topics as credit, lifestyle, transportation, money management, and housing.

— A **Moving Out Instructor's Guide** was developed for teachers and youth leaders, containing programming ideas to complement the **Moving Out** booklet. The **Instructor's Guide** can be incorporated into classes or used on a seminar basis.

— A radio advertising campaign was aired on youth-oriented stations twice during the year to publicize the availability of the booklet; bus cards were placed on five public transport systems throughout the province to reinforce the campaign, and posters and display panels were produced. In the first year, 120,000 copies of the **Moving Out** booklet were distributed.

— Staff co-operated with CBC Edmonton in the production of two programs on the topics of consumerism and credit use as part of the "Help Yourself" television series that was broadcast province wide.

— A total of 20 interviews were conducted with staff through a variety of media outlets on a broad range of topics. As well, 40 consumer messages were prepared for use on cable television stations, and 30 public service messages were developed for radio broadcast. The messages were recorded by regional office education personnel and aired daily on several radio stations across the province.

— A major thrust of the Education Program was the relocation of the Resource Centre near the University of Alberta. There was an increased emphasis on services to professionals involved in the delivery of programs to a wide variety of clients. In September, nine in-service programs were conducted during the opening week at the new Resource Centre for clergy, librarians, teachers, educators, and consultants; an additional 50 workshops were presented for professionals, and 57 consultation sessions were offered on the incorporation of consumer education materials into their programs. Among the groups that participated were Indian and Inuit affairs school counsellors, community school instructors, and teachers-in-training from the Faculty of Education, the University of Alberta. A late night opening until 9:00 p.m. once a week has also resulted in expanded use of the consumer education resources. The emphasis on outreach to other professionals has resulted in a 552 per cent increase in the use of the Resource Centre services by educators, and a 234 per cent growth in its use by postsecondary students. Requests for film loans increased 50 per cent with a total of 448 films being used by educators and agencies. The automation of the Resource Centre's card catalogue assisted in more efficient distribution and administration of the material collection. Another increase was experienced in public requests for product information reports with 3,161 patrons requesting information.

— To assist public libraries in obtaining updated consumer-related publications and audio-visual materials, a booklet **Consumer Resources and Materials** was compiled and distributed to 350 libraries throughout the province.

— In order to ensure increased distribution of consumer education materials to the public, Resource Centre staff assisted public libraries in Fort McMurray, Grande Prairie, Peace River, and Red Deer to establish Consumer Information Centres through the provision of print materials and consultative services.

— A bibliography, **Consumer Education Materials: An Annotated List**, containing resources available to educators and consultants on a loan basis through the Resource Centre, was revised and 3,500 copies were provided to schools, colleges, universities, libraries, and agencies across Alberta.

— "Landlord's and Tenant's Rights and Responsibilities," a slide-tape presentation, was produced in co-operation with AMSALTAB, the provincial association of Landlord-Tenant Boards. The production is used widely by the Boards, high schools, and other agencies.

— In order to assist parents in teaching money management skills to their children, a workshop kit entitled "Money Talks" was developed and produced. Copies are available on loan to interested groups through the Resource Centre and regional offices.

— Other projects completed include publications entitled "Purchasing Time Sharing," "Renting a Mobile Home Site," "Family Financial Counselling Services," and "Planning a Fund Raising Campaign: The Public Contributions Act."

— A co-operative venture with ACCESS Alberta involved the delivery of interactive television programming via use of cable stations, Anik B satellite, and a toll-free telephone system. Departmental staff presented a series of eight television programs that were beamed to northern communities where receivers and telephone hook-up have been provided by ACCESS. Broadcasts included three programs on housing, two on money management, and one each on landlord-tenant issues, children and allowances, and children's advertising.

Consumer Education Delivery

Education program delivery was actively carried on by regional office staff in six cities throughout Alberta. Regular media contacts, course presentations, consultation with agencies and institutions, and dissemination of print and audio visual materials comprised the major activities.

The central staff in Edmonton, through the Resource Centre, trained other professionals in the use of consumer education materials. They researched and developed resource materials, provided an annual training seminar to regional office staff as well as provided program delivery assistance for educators through the regional offices.

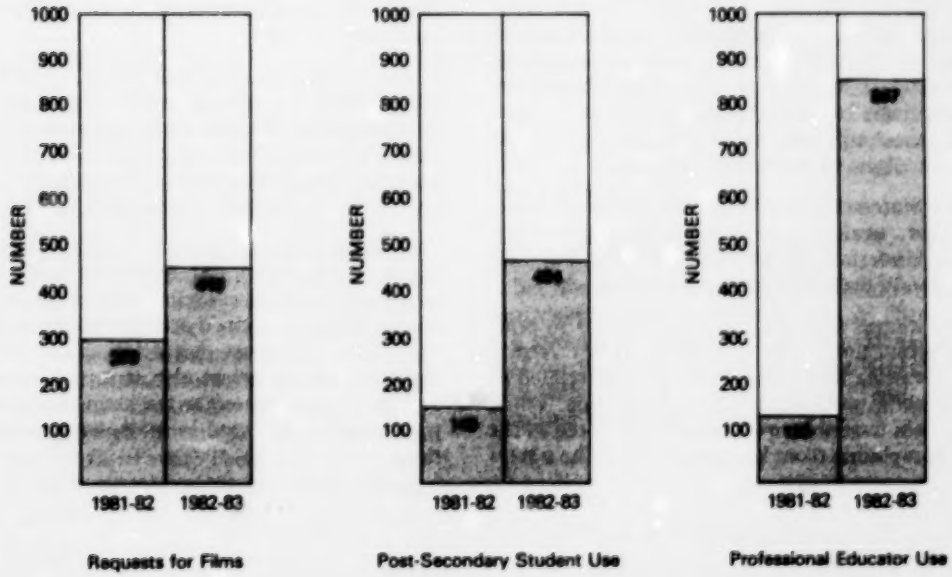
Summary

Development of new print and audio-visual materials, increased use of media through regional offices, and the expanded emphasis on the training of other professionals in the use of consumer education materials for their clients at both the provincial and local levels resulted in an extensive increase in the use of the department's educational materials and services, particularly through the Resource Centre at its new location.

TABLE 1

Resource Centre User Statistics

(since relocation)



Family Financial Counselling Program

The Family Financial Counselling Program administers the Debtors' Assistance Act and maintains the Debtors' Assistance Board. Its chairman, through the family financial counsellors situated in the six regional and two sub-offices, provides personal financial counselling to Albertans.

In addition to providing information on family money management techniques and sound budgeting practices, the Debtors' Assistance Board has a provincial mandate to engage in mediation attempts between Albertans and their creditors which strive for fair and equitable repayment schemes to the benefit of all parties concerned. In more difficult situations the board will establish a voluntary repayment program whereby the board disburses payments made by a debtor to his creditors according to an agreed format.

The Family Financial Counselling Program also administers Part X of the Federal Bankruptcy Act which is called the Orderly Payment of Debts Provisions. This program provides some relief to debtors in serious financial difficulty. It is a much more structured repayment program in comparison to the voluntary repayment program under the Debtors' Assistance Board.

Through both of these repayment programs, the Family Financial Counselling Unit of the department disbursed $1,735,971. to more than 900 creditors on behalf of 1359 Albertans during the fiscal year. This represents payments on total debts outstanding of $8,533,708. owing by this group.

During the 82/83 fiscal year the Family Financial Counselling Program conducted 9467 personal and telephone interviews with Albertans seeking assistance. As well, evening seminars or group information sessions were continued throughout the year and were well attended in the larger centres.

The Family Financial Counselling Program, with the assistance of the Consumer Education Program, continued to attempt to promote good financial habits among Albertans through education. The thrust of this program was one of self help.

Standards Development Program

The Standards Development Program attempts to ensure that minimum standards of fair trading practice are maintained within the marketplace, through the administration and enforcement of the Unfair Trade Practices Act. During the past fiscal year, the Department's six regional offices completed 1,073 investigations of alleged contraventions of the Act. This resulted in a total of $89,972. being returned to consumers.

In 11 cases, the Director of Trade Practices found it necessary to require a formal assurance of compliance from businesses, through statutory Undertakings. In two situations, the business involved declined to enter into an Undertaking, which led the Director to file Statements of Claim in the Court of Queen's Bench.

Two other Statements of Claim were also filed during the fiscal year, against suppliers who had previously entered into Undertakings with the Director, but who had subsequently breached these agreements.

There was a general increase during the year in price benefit and promotional type advertising claims. Nearly 30% of all investigations during 1982 to 1983 related to alleged misleading price benefit representations. While statistics are not available, an increase was noted in the number of complaints from businesses about the advertising practices of their competitors. This indicates an increasing awareness by business that the services of the program are available to consumers and business on an equal basis.

Also, false savings claims were common among some suppliers of health spa and physical fitness facilities. Two Undertakings were signed by such suppliers as a result of misrepresentations over the savings on membership fees.

The Standards Development Program also maintained liaison with various business groups in the development and maintenance of standards of business practice. In situations where there appeared to be a reoccurring problem, guidelines were suggested to various sectors of the business community.

For example, the Program received a number of complaints over auto service charges being higher than initial estimates. A guideline was sent to all automobile service businesses clarifying the position under the Unfair Trade Practices Act relating to misleading estimates. A guideline was also sent to all jewelry retailers in Alberta with respect to the use of "appraised value", particularly when used in price comparison representations.

Licensing Program

The Licensing Program administers the following legislation: Licensing of Trades and Businesses Act, Public Auctions Act, Fuel Oil Licensing Act, Direct Sales Cancellation Act, Public Contributions Act, Cemeteries Act, Prearranged Funeral Services Act.

In addition, responsibility for administrative procedures is taken for licensing of real estate agents and salesmen, insurance agents and adjusters and investment contractors under the Real Estate Agents' Licensing Act and the Insurance Act.

Licensing is handled by staff of six regional offices who are responsible for accepting applications and supporting documents, conducting investigations and referring recommendations for prosecution or bond claims to the Director. The Licensing Program supports regional staff by providing: information through an online system of licensing, training and consulting services, bond administration/claims, and prosecution approvals.

On March 31st, 1983 there were approximately 35,537 licenses in force, a decrease of 50,859 since the last annual report. This decrease was due to the repeal of a number of regulations which resulted in salesmen of direct selling businesses no longer requiring licenses.

A total of 786 campaigns for charitable solicitations were approved by the department and the six local approving authorities in the last year, a decrease of 6%.

Surety bonds posted by 21 licensees were forfeited to compensate consumers where the licensees failed to provide the goods or services as contracted. These actions resulted in $84,348. being returned to consumers. Court decisions were rendered on 18 cases.

Outdated licensing regulations continue to be examined to ensure current market needs of the public and private sectors are being met.

Real Estate Program

The Real Estate Program administers the Real Estate Agents' Licensing Act, Mortgage Brokers Regulation Act, Condominium Property Act, Landlord and Tenant Act, and Mobile Home Sites Tenancies Act.

The program protects the public by ensuring that persons who deal in these areas are licensed and bonded, where required. Complaints against licensees are investigated by regional staff who also conduct examinations and audits. Audit staff ensure trust funds are handled properly.

Real Estate Agents' Licensing Act

To ensure that all real estate agents and sales people are educated to an acceptable standard, examinations are conducted for all first-time applicants before a licence is issued. A summary of real estate examinations given during 1982/83 is shown in Table 1.

The program regulated the registration of out-of-province real estate that is divided into units such as lots, condominiums or timesharing projects. A prospectus must be filed and accepted before a developer is permitted to offer a project to Alberta residents. The prospectus must provide full disclosure of the revelant facts about the development. Enquiries regarding filing a prospectus were received from 80 out-of-province developers during the fiscal year. There were 32 filings. Twenty Certificates of Acceptance were issued.

Mortgage Brokers Regulation Act

Persons acting as mortgage brokers must be registered and maintain certain bonding and capital requirements. On March 31, 1983, there were 172 mortgage brokers registered in the province, compared to 209 one year previously.

Landlord and Tenant Act

In June, 1982, the Program officially assumed responsibility for administration of the Landlord and Tenant Act. Complaints against landlords are investigated by regional staff who also provide a mediation role as needed. The majority of complaints relate to non-return of security deposit and non-payment of interest. Prosecution is initiated by regional staff when warranted.

Disciplinary Action

Six Show Cause Hearings were held for licensees, 24 mortgage brokers received Letters of Direction requiring corrective action to their operations. Prosecution was sanctioned in 85 cases under the Real Estate Agents' Licensing Act and the Landlord and Tenant Act, resulting in 61 convictions.

TABLE 1

Number of Real Estate Agents and Salesmen

(at March 31, 1983)

	Agents	Salesmen	Total 82-83	Total 81-82
Calgary	296	2,631	2,927	3,715
Edmonton	317	1,843	2,160	2,704
Red Deer	29	180	209	249
Lethbridge	25	194	219	219
Medicine Hat	26	162	188	187
Grande Prairie	10	64	74	115
Camrose	9	51	60	62
Lloydminster	8	38	46	49
Wetaskiwin	8	33	41	45
Drumheller	10	39	49	44
Towns, Villages and Non-residents	481	1,514	1,995	2,201
TOTALS	1,219	6,749	7,968	9,590

TABLE 2

Real Estate, Mortgage Broker, Condominium and Landlord and Tenant Investigations

	1982-83	1981-82
Real Estate	375	219
Mortgage Brokers	138	38
Condominiums	6	2
Landlord and Tenant	607	
Mobile Home Sites	1	
	1,127	259

Consumer Credit Program

The Consumer Credit Program administers four statutes: Credit and Loan Agreements Act, the Collection Practices Act, the Wage Assignments Act, and the Tax Rebate Discounting Act (federal).

The Consumer Credit Program attempts to ensure a fair and reasonable marketplace is maintained in the field of credit granting to consumers.

Monitoring Current Business Practices

With the assistance of regional office staff, 503 credit-related investigations and examinations were conducted during the calendar year 1982. (See table 1.) These examinations were of sellers, all types of lending institutions, collection agencies and tax discounters. Of these investigations, five prosecutions were initiated through the Consumer Credit Program, four of which were successful. Remedial action by the businesses involved was the result of the vast majority of the complaint investigations and examinations. Settlements resulting in money being returned to disadvantaged consumers amounted to $95,330.

Tax Discounting

The Federal Tax Rebate Discounting Act is administered by the Consumer Credit Program in conjunction with the R.C.M.P. and Consumer & Corporate Affairs Canada. In addition to the registration and disclosure requirements for tax discounters under the Credit and Loan Agreements Act, the Tax Rebate Discounting Act provides specific requirements which regulate the activities of tax discounters.

The activities of tax discounters in the calendar year 1982 increased substantially over 1981. Statistics compiled by Consumer & Corporate Affairs Canada reveal the number of discount transactions totalling 8,312 for 1982 compared with 4,781 in 1981. Large annual increases in the numbers of transactions have been reported since 1979 and even conservative estimates suggest even larger increses in the upcoming tax preparation season.

Program Activity

There has been no real significant change in the types of problems being experienced in 1982 compared to 1981, except the occurences where contract liability and collection practices are concerned. As far as the type of business against which consumers are complaining, no significant changes have occurred since 1981 except that complaints against retailers are down significantly and complaints against collection agencies and banks (this includes credit unions and trust companies) are up.

TABLE 1

Summary of Credit Complaints Received By Consumer Credit Program in 1982

Complaint Investigations (By Business Type)

	Total 82/83	Total 81/82
Collection Agency	138	93
Retail	136	214
Bank (includes credit unions and trust companies)	121	53
Finance Company	54	54
Mail Order	12	13
Tax Discounter	6	8
Personal Services	6	4
Credit Reporting	3	0
Other	27	27
TOTAL	503	466

Complaint Investigations (Problem Type)

	Total 82/83	Total 81/82
Collection Practices	92	53
Cost of Credit	90	95
Advertising	68	96
Pay Out Calculation	65	66
Contract Liability	49	23
Unethical Practices	27	32
Cancellation of Contract	7	11
All Others (include licensing investigations)	105	90
Total Complaints	503	466
Total dollar settlements of all complaint investigation files	$95,330.00	$24,610.00
Average amount per file	$189.52	$52.81

Insurance Program

This program administers the Insurance Act, The Insurance Corporations Tax Act and The Investment Contracts Act.

The Insurance Program provides protection to the public by licensing all insurers and auditing provincial insurance companies to ensure their solvency. As well the program serves the public by investigating complaints about insurance or investment contracts.

Before receiving a license from the department, an insurance company must place a deposit with the appropriate provincial or federal authority. This deposit is held to protect policy-holders in case the company runs into financial difficulties.

Each year, all Alberta-licensed insurance companies are required to file detailed statements of their financial conditions and operations with the Superintendent of Insurance. In accordance with the Insurance Act, all provincially incorporated companies are audited annually. The Insurance Act also requires the Superintendent of Insurance to prepare an annual report on the affairs of the industry.

The Superintendent works in co-operation with other provincial jurisdictions to maintain uniformity in the enactment and administration of insurance laws.

In an effort to ensure that all insurance agents, brokers and adjusters acquire an acceptable standard of knowledge in their field, the program conducts examinations for all first-time applicants before issuing a licence or certificate of authority.

The Investment Contracts Act

The Program also licenses investment contract companies and investment contract sales representatives. There were three investment contract companies licensed in Alberta in 1982/83.

Disciplinary Action

During the fiscal year 1982/83, one insurance agent's licence was suspended and four insurance licensees were sent letters of reprimand.

TABLE 1

Insurance Companies Licensed

	82/83	81/82
Provincial Companies	8	8
Extra-Provincial Companies	16	16
Dominion Registered Companies	306	311
Fraternal Associations	21	21
TOTAL	351	356
New Companies Admitted During 1982	5	11
Companies Withdrawn During 1982	2	1
Companies Merged into Existing Companies	5	2

TABLE 2

Number of Insurance Agents Licensed

(as of February 1, 1983)

	Life	Fire	A&S	Hail	Auto	Other	Total 82/83	Total 81/82
Calgary	1,240	401	877	2	4	273	2,797	2,369
Edmonton	1,110	373	725	2	16	284	2,510	2,260
Lethbridge	104	43	63	21	1	29	261	228
Red Deer	99	34	56		3	37	229	184
Grande Prairie	52	9	31	11	2	17	122	92
Medicine Hat	36	11	15	5	1	11	79	71
Lloydminster	19	14	3	7	2	4	49	32
Wetaskiwin	4	9	4	3	1	14	35	34
Camrose	11	7	3	6		6	33	36
Drumheller	8	5	1	9		6	29	23
Town, Villages and Non-Residents	825	701	346	513	12	309	2,706	2,672
Employees	5	1,808	1	1	28	55	1,898	1,663
TOTALS	3,513	3,415	2,125	580	70	1,045	10,748	9,664

TABLE 3

Number of Insurance Adjusters Licensed

(as of February 1, 1983)

	Total 82/83	Total 81/82
Edmonton	157	150
Calgary	143	127
Red Deer	17	21
Lethbridge	13	19
Medicine Hat	11	12
Grande Prairie	10	10
Peace River	4	9
Lloydminster	7	8
Fort McMurray	2	5
Camrose	3	1
Drumheller	3	3
Towns, Villages and Non-Residents	56	50
TOTAL	426	415

TABLE 4

Insurance Complaints Resolved

(Fiscal Year Ending March 31, 1983)

Class of Complaints	Total 82/83	Total 81/82
Automobile	271	186
Fire	78	71
Life	70	38
Accident and Sickness	32	22
Travel	10	5
General (other classes)	172	58
Adjusters	13	9
TOTAL	646	389

Trust Companies Program

The Trust Companies Program administers the Trust Companies Act.

All trust companies wishing to carry on business in Alberta must be registered and comply with all the requirements of the Act. They must also be members of the Canada Deposit Insurance Corporation.

All registered companies must file quarterly and annual reports, and any other information relevant to their operation as may be required by the Director of Trust Companies.

As at December 31, 1982, there were 51 trust companies registered in Alberta: seven Alberta incorporated, 27 federally incorporated and 17 incorporated in other provinces.

TABLE 1

Comparative Statistics for Trust Companies Registered in Alberta

	1982	1981	Increase (Decrease)	% Change
	($000)			
Number of Companies	51	53	(2)%	(3.8)%
Total Assets	$38,646,000	$37,650,000	$996,000	2.6 %
Term and Demand Deposits (Alberta)	3,515,000	3,275,000	240,000	7.3 %
Total Investments (Alberta)	8,591,000	7,612,000	979,000	12.9 %

Credit Union Program

The Credit Union Program administers the Credit Union Act and the Credit Union Federation of Alberta Limited Act.

Protection is provided to the public through a process of examination and inspection of all credit unions. This is achieved through the monitoring of the activities of the credit union system in such areas as overdrafts, lending limits and compliance with existing legislation. A follow-up process ensures that infractions of legislation or any unsound business practices observed during the examinations are corrected. The Credit Union Program is responsible for the processing of incorporation, dissolutions, amalgamations and the registration of credit union supplemental by-laws.

There is continual liaison between the office of the Director, the Credit Union Central, Credit Union Stabilization Corporation and Alberta credit unions to ensure that the Director maintains awareness of the changes within the movement.

No new credit union charters were issued during 1982. There were 14 dissolutions, leaving 136 credit unions chartered in the province.

TABLE 1

Alberta Credit Unions

	March 1983	March 1982
Number of Incorporated Credit Unions	136	150
Branch outlets	159	161
TOTAL	295	311
Members	500,000	550,000
Assets	$2,503,274,000	$2,268,204,387
Loans Outstanding	1,878,152,000	1,767,297,672
Cash and Investments	357,592,690	333,786,597
Guarantee Reserves (for doubtful loans)	34,630,010	21,689,668
Other Reserves and Distributable Earnings	14,950,700	19,454,529

Co-operative Program

The Co-operative Program is responsible for the administration of the Co-operative Associations Act, the Co-operative Marketing Association and Rural Utilities Guarantee Act and the Native Co-operative Guarantee Act. The program is delivered to the public through the six existing regional offices of Consumer & Corporate Affairs, providing direct local access to all co-operatives throughout the province.

Many co-operatives are conducting a close internal review of their operations to ascertain long term viability and methods of ensuring continued growth. The department continues to work closely with several organizations in this regard.

During the year there were 19 new co-operatives incorporated in the province and 30 co-operatives were struck from the register. The number of co-operative members continues to grow and at March 31, 1983 there were 841-676 co-operative members in Alberta. This department works closely with other government departments involved with co-operatives to help ensure that co-operatives within Alberta are providing a viable service to their members based on sound economic and co-operative principles.

Alberta Co-operative Statistics

(year ending March 31, 1983)

Classification	Business Volume	Assets	Net Worth	Surplus	Member-ship
Consumer	$1,033,629,296	$ 328,048,024	$128,165,686	$ 26,396,401	698,133
Livestock and Grazing	3,970,927	5,160,980	3,375,200	623,825	8,206
Feeder	28,763,298	22,740,693	960,375	(711,480)	1,997
Dairy and Poultry	306,482,310	101,731,788	36,953,776	5,577,068	7,172
Seed and Grain*	1,499,668,048	360,719,718	138,392,567	17,217,428	93,305
Sundry	44,002,772	71,239,041	16,962,532	107,683	32,863
TOTALS	$2,916,516,651	$ 889,640,244	$324,810,136	$ 49,210,925	841,676

* The Seed and Grain totals do not include extra-provincial companies and this adjustment should be considered in any year to year comparison.

Corporate Registry

Corporate Registry administers seven statutes, The Business Corporations Act, The Companies Act, The Societies Act, The Religious Societies Land Act, The Co-Operative Associations Act, The Credit Union Act and The Cemetery Companies Act.

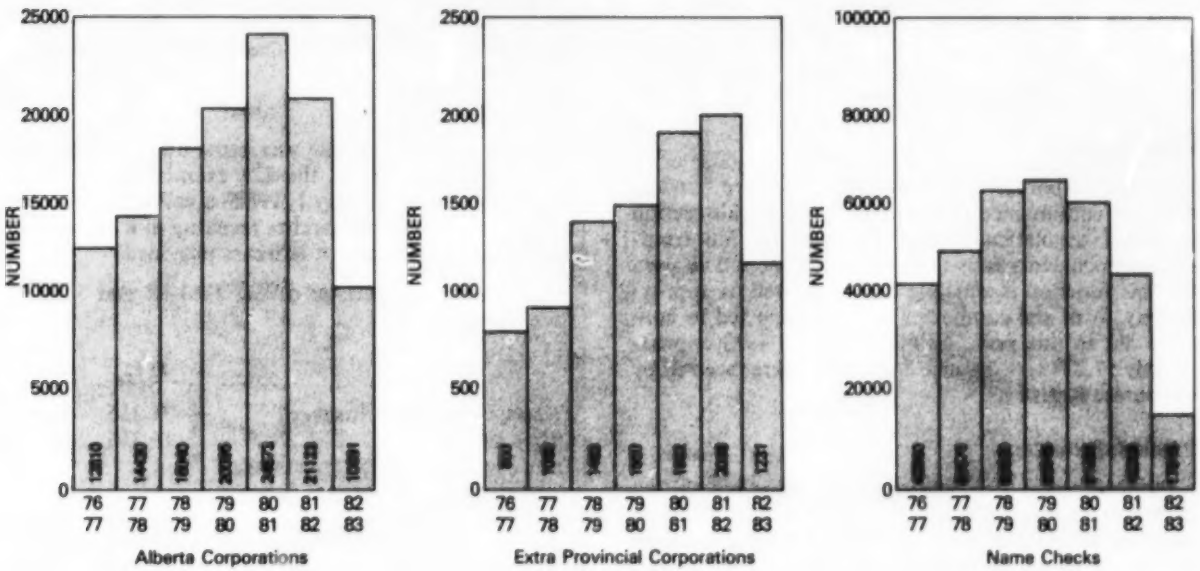
The primary functions of Corporate Registry in administering these Acts are to: issue certificates which create or change the structure of limited liability corporations and societies; issue certificates of registration to permit corporations formed elsewhere in the world to carry on business in Alberta; and maintain a public depository of documents required to be filed under the various provisions of the Acts administered by the Registry.

The 1982/83 fiscal year was a challenging one for Corporate Registry. It was the first year of working with the new Business Corporations Act. The public and Corporate Registry staff quickly became familiar with the new policies and procedures.

Another significant event of the 82-83 fiscal year was the decentralization of some of the Corporate Registry services to Lethbridge, Red Deer, Peace River, and Fort McMurray regional offices.

TABLE 1

Incorporation Statistics

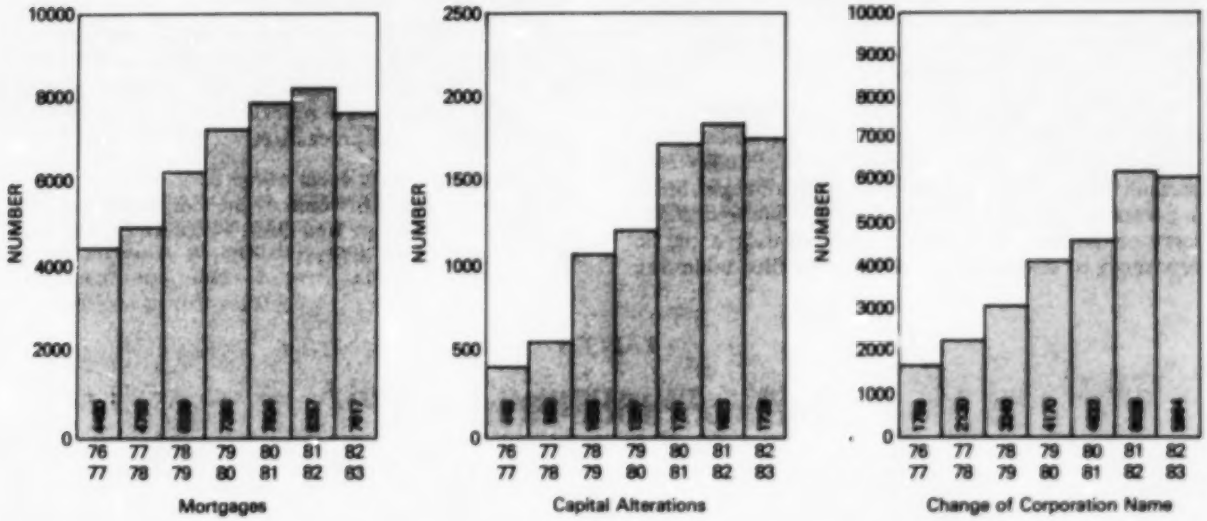


Corporate Reorganization

This Section is unique to Corporate Registry in that the majority of the functions performed are governed by the two major Acts in force, The Companies Act and The Business Corporations Act. A great deal of time was spent in becoming familiar with The Business Corporations act and in developing efficient documentation processing procedures.

TABLE 2

Corporate Reorganization Statistics



Continuance

As the corporate community became more familiar with the continuance process, the filing in this section increased dramatically. The incentive to file continuance documents early in the three year period allowed for this function is working extremely well as approximately ⅓ of the companies that are expected to continue did so this year. As of March 31, 1983 approximately 57,229 continuance documents were received by Corporate Registry.

Public Information

Public demand for corporate information has shifted slightly from written and walk-in requests to telephone searches. This is portrayed by the graphs which indicate an increase of approximately 5,000 companies searched by telephone per month.

Systems

On-going enhancements to the Companies Branch Information System (CBIS) continue to be made to facilitate the users and the system's capabilities.

Corporate Registry — Calgary Office

The Calgary office experienced increases in most areas of its operation. The requirement to file continuance documents partially contributed to this increase.

The only area to decrease was name examinations and this was largely due to the $25 examination fee that came into effect February 1, 1982. A call-sequencer was installed in telephone searches resulting in a substantial increase in the number of searches provided.

Below is a comparison of the 1981-82 and 1982-83 fiscal years.

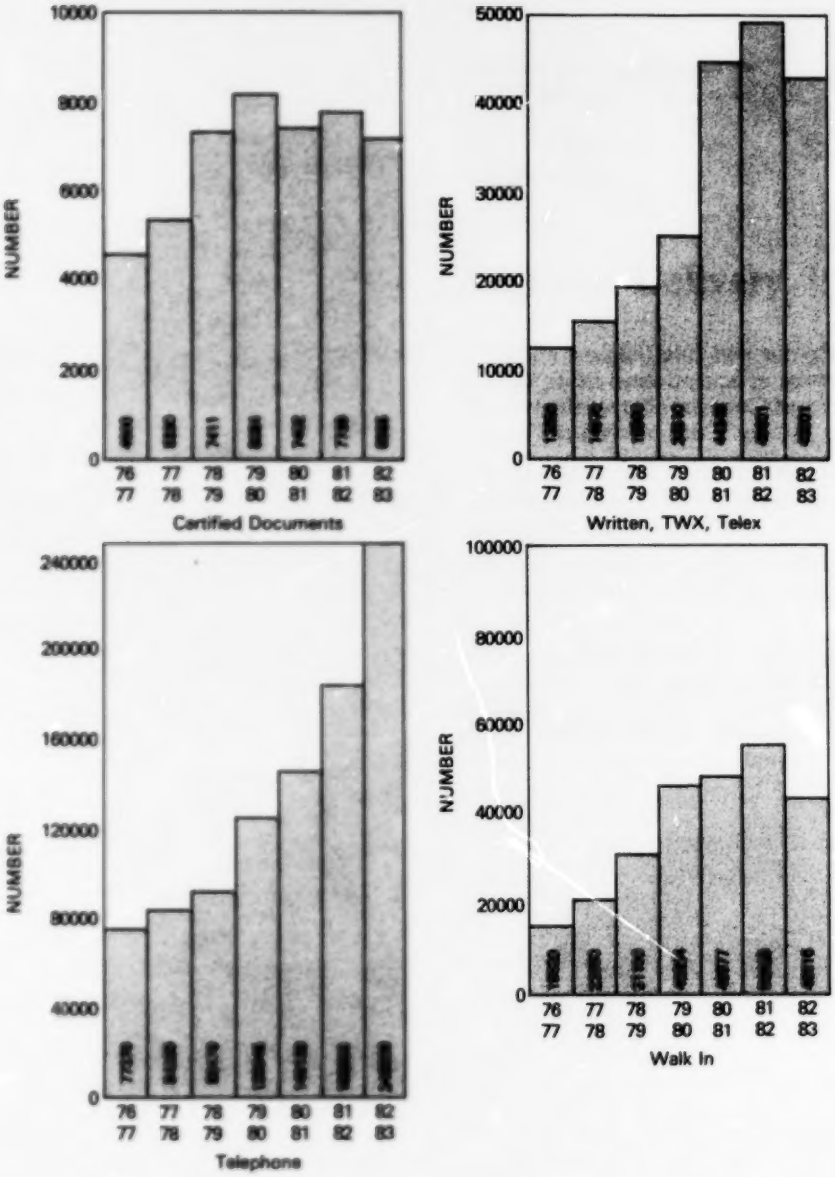
	81-82	82-83
Telephone Inquiries Received	34,855	40,192
Office Visits	18,366	19,529
Total Number of Documents forwarded to Edmonton from the Calgary Office	61,884	90,067
Company Searches by Telephone ..	67,898	102,624
Company Searches in Writing	12,287	16,842

General Administration

This area provides service to the public and support services to Corporate Registry in the areas of mail, revenue, inventory, central filing and budget preparation and control. To increase efficiency, a program to cross-train employees for a variety of tasks was completed.

TABLE 3

Public Searches



Regional Delivery Division

Assistant Deputy Minister —
H. J. Thomas

Executive Director —
G. Blochert

Regional Delivery

The six regional and two sub-offices carry out the delivery of the departmental programs in a uniform and effective manner throughout the province. The objectives of the division are:

1. Standardization and uniform delivery of programs by regional offices throughout the province, providing reasonable access to the general public.
2. The evaluation of the effectiveness of the departmental programs and their delivery by the regional offices.

The executive level of the Program Delivery Division is responsible for defining and setting of goals and priorities, as well as determining resource needs of the regional offices, so that they can provide departmental services to all citizens of Alberta.

Regional Offices

The fiscal year 1982-83 was the second complete year of full regionalization. During the year, first steps were taken to make the Corporate Registry Program accessible beyond Calgary and Edmonton, by providing limited service through the Lethbridge, Red Deer, Ft. McMurray and Peace River offices.

Considerable emphasis was placed during the 1982-83 year on the auditing and examination of financial institutions for which the department has legislative responsibility.

To increase efficient use of resources, training and development of regional staff continued.

Complaints and Enquiries

There was a significant increase of telephone contacts from the general public during the year. A total of 102,280 telephone calls were received. This was an increase of 17.5% over the previous year. The number of total investigations carried out by the department also increased. Through effective telephone counselling, regional offices were able to guide consumers with less serious complaints towards self resolution. This allowed more attention to be given to those complaints which related directly to departmental legislation.

TABLE 1

Ten Major Complaint Categories

	Number of Complaints		Percentage of Total Complaints	
	82/83	81/82	82/83	81/82
Motor Vehicle	850	918	19.6%	18.8%
Insurance	652	393	15.0%	8.1%
Landlord and Tenant	607	420	13.9%	8.6%
Real Estate	520	182	11.9%	3.7%
Appliance and Home Furnishings	502	442	11.5%	9.9%
Credit	502	428	11.5%	8.8%
Miscellaneous Manufactured Goods	491	402	11.3%	8.2%
Building Materials	433	477	9.9%	9.8%
Personal Service	307	192	7.0%	4.0%
Personal Goods	173	151	3.9%	3.1%

Regional Offices of Alberta Consumer and Corporate Affairs

Calgary Regional Office
#222, Centre 70
7015 Macleod Trail South
CALGARY, Alberta
T2H 2M9
Telephone: 253-0909

Lethbridge Regional Office
#300 Professional Building
740 - 4 Avenue South
LETHBRIDGE, Alberta
T1J 4A9
Telephone: 329-5360

Red Deer Regional Office
4920 - 51 Street
P.O. Box 5002
RED DEER, Alberta
T4N 5Y5
Telephone:343-5241

Peace River Regional Office
Provincial Building
9621 - 96 Avenue
Bag 900, Box 9
PEACE RIVER, Alberta
T0H 2X0
Telephone: 624-6214

Fort McMurray Regional Office
5th Floor, West Tower
9915 Franklin Avenue
FORT MCMURRAY, Alberta
T9H 2K4
Telephone: 743-7231

Edmonton Regional Office
3rd Floor, Capilano Centre
9945 - 50 Street
EDMONTON, Alberta
T6A 3X5
Telephone: 427-5782

Sub-Offices of Alberta Consumer & Corporate Affairs

Medicine Hat Sub-Office

#206 Provincial Building
770 - 6 Street S.W.
Medicine Hat, Alberta
T1A 4J6
Telephone 529-1535

Grande Prairie Sub-Office

Grande Prairie Provincial Building
10320 - 99 Street
Box 7
Grande Prairie, Alberta
T8V 6J4
Telephone 539-2400

Program Support Division

Assistant Deputy Minister —
J. O. Darwish

Executive Director —
W. V. Stephens

Program Support Division

Program Support supplies centralized services that support the development and delivery of the department's programs. The areas of service provided include information systems, audit, research and planning, and administrative services.

Audit

Audit provided a financial consulting and examination service to the department. Financial analysis and field examinations of registrants or licensees were conducted at the request of Program Development directors.

Audit programs designed specifically for regulated industries were used in conducting examinations to determine whether licensees were complying with applicable legislation and handled public funds in the appropriate manner. Financial institutions may invest their funds in qualified assets only, meeting certain minimum quality standards. Agencies or brokers receiving trust funds must maintain such funds in a separate trust account until the trust obligations are fulfilled.

During 1982-83 audits were conducted on all provincially incorporated insurance companies and investment contract companies. In addition, reviews and examinations were conducted on 62 companies subject to legislation administered by the department.

Information Services

Some of the services provided to the department by Information Systems during 82/83 were: financial resource planning, manpower resources acquisition, project management, acquisition and installation of equipment and/or software, co-ordination, co-ordinating development and testing, and user training assistance.

Support provided for existing systems including: budget preparation for each E.D.P. system, monitoring of operational costs, review of departmental legislation, policy or procedure to determine impact on systems, ensured that system changes were made to meet changing user requirements, and monitoring changes in the technical environment to provide users with the benefit of advancements wherever possible.

Systems pertained to a range of manual, semi-automated and/or automated processes depending on particular applications.

In addition to these major service areas, Information Systems managed and operated the Departmental Records Centre (provided storage for and access to semi-active and inactive files) and the Micrographics Unit (provides filming and processing services for micrographic systems). It designed and arranged the printing of stationery or forms and oversaw the department's Records Management program.

In 1982-83, the Securities Commission Automated Network (S.C.A.N.) was implemented and the first phase of a department-wide word processing system was installed.

Research and Planning

Research and Planning provides centralized research and information services in support of Departmental planning and policy formulation. The unit functions cover five major areas including:

- Responding to Ministerial, management, public and other departments' requests for information on consumer issues and departmental policies covering many diverse topics from housing and vacancy statistics and consumer expenditure patterns to the costs of royal commissions and public inquiries;
- Developing and coordinating both the long and short term planning processes within the department;
- Clarifying, analyzing and reviewing particular policies or issues as directed by executive management, assessing administrative implications and preparing policy recommendations. This area included projects such as compiling and synthesizing briefs from all the provinces concerning registration of extra-provincial corporations, analyzing briefs submitted for discussion on the proposed Federal Trust and Loan Companies Act and examination of administrative files and legislation on public contributions;
- Providing research and analysis services to each program area within the department to facilitate decision making by program directors. These services may involve needs assessments, surveys, evaluations, statistical analyses, literature reviews or legislation research. Projects carried out included a survey of credit use in the province, an evaluation of the NUANS name check system, the development of a profile of the mortgage market, and a survey of readers' responses to the **Moving Out** publication;
- Preparing and distributing two monthly publications, **Market Highlights** and **Market Spotlight. Market Highlights** is a digest of marketplace events affecting consumers, including price changes, supply disruptions, new products, legislation changes and safety concerns. **Market Spotlight** advises on the selection and use of commonly purchased items, and is intended for reference by the consuming public.

POOR

QUALITY

ORIGINAL